

October 15, 2020

For Immediate Release

Investment Corporation

Japan Real Estate Investment Corporation

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(TSE code: 8952)

Asset Management Company

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Announcement of Issuing Investment Corporation Bonds

Japan Real Estate Investment Corporation hereby announces its decision today to issue its investment corporation bonds in accordance with the comprehensive resolution concerning issuance of them made at the board of directors' meeting held on May 15, 2020.

1. Overview of the Investment Corporation Bonds

- (1) Name of the bonds
Japan Real Estate Investment Corporation 13th Unsecured Bond
(No financial covenants, such as a negative pledge)
- (2) Total amount of the bonds to be issued
JPY 10 billion
- (3) Form of bond issue
Bond certificates shall not be issued for JRE's investment corporation bonds pursuant to Act on Book-Entry Transfer of Corporate Bonds and Shares.
- (4) Amount to be paid-in
JPY 100 per face value of JPY 100
- (5) Maturity value
JPY 100 per face value of JPY 100
- (6) Interest rate
0.200% per annum
- (7) Denomination of each bond

JPY 100 million

- (8) Subscription method
Public offering
- (9) Offering period
October 15, 2020
- (10) Payment date
October 26, 2020
- (11) Collateral
The bonds are not secured or guaranteed, and there are no assets reserved as security for the bonds.
- (12) Redemption method and date
 - (i) Maturity date
October 24, 2025
 - (ii) JRE may retire the bonds by purchase at any time after the date following the payment date unless otherwise specified by Japan Securities Depository Center, Inc.
- (13) Interest payment dates
April 26th and October 26th of every year
- (14) Financial covenants
No financial covenants are attached to the bonds.
- (15) Ratings
AA Rating and Investment Information, Inc.
- (16) Fiscal agent/Issuing and payment agent
MUFG Bank, Ltd.
- (17) Underwriters
Mizuho Securities Co., Ltd.
Mitsubishi UFJ Morgan Stanley Securities Co., Ltd.
SMBC Nikko Securities Inc.

2. Reason for the issuance

To raise the proportion of long-term loans and investment corporation bonds to the total interest-bearing debt by issuing these bonds

3. Total amount to be procured, use of proceeds and planned spending period

- (1) Total amount to be procured (approximate net amount received)
JPY 9,950,000,000

- (2) Specific use of proceeds and planned spending period

JRE intends to apply the proceeds to the contractual repayment of a long-term loan of JPY 2 billion and part of the prepayment of a short-term loan of JPY 8 billion during October 2020. For the details of the above loan prepayment, JRE will let you know at a later time.

4. Balance of interest-bearing debt after the bond issuance (Note)

(Units: millions of JPY)

	Before	After	Increase/Decrease
Short-term loans payable	26,000	18,000	-8,000
Long-term loans payable (Variable interest rate)	23,000	23,000	±0
Long-term loans payable (Fixed interest rate)	337,000	335,000	-2,000
Total loans	386,000	376,000	-10,000
Investment corporation bonds	32,993	42,993	+10,000
Total investment corporation bonds	32,993	42,993	+10,000
Total interest-bearing debt	418,993	418,993	±0

(Note) This balance takes into account the loan prepayment above mentioned in item3, and the borrowing and the prepayment described in the press release “Announcement of Loan Prepayment and Debt Financing” dated October 13, 2020.

5. Others

Regarding risks pertaining to this bond redemption and interest payment, there is no material change to the “Investment risks” description in the latest securities report submitted on June 25, 2020.

This is the English translation of the announcement in Japanese dated October 15, 2020.

No assurance or warranties are given for the completeness or accuracy of this English translation.